

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

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OFFICE OF THE SECRETARY**

In the Matter of

Promotion of Competitive Networks in Local  
Telecommunications Markets

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WT Docket No. 99-217 /

**Comments of Cox Communications, Inc.**

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## SUMMARY

This proceeding addresses issues critical to the continued development of facilities-based local telephone competition. Because facilities-based competitive local exchange carriers (“CLECs”) continue to have difficulty in obtaining access to multiple tenant environments (“MTEs”), Cox Communications, Inc. (“Cox”) requests that the Commission take additional action in this proceeding to ensure that facilities-based providers have a level playing field in their competition against incumbent carriers.

As one of the most successful facilities-based CLECs, with more than 200,000 local telephone customers, more than 285,000 access lines and more than one million voice grade equivalent circuits, Cox has wide experience in obtaining access to MTEs. While Cox often is able to obtain access quickly and inexpensively, it also has faced a range of inequitable barriers to obtaining access to MTEs. These barriers include:

- Monetary demands for building access, which can be as high as five to seven percent of gross revenues or as high as \$4,000 a month on a flat fee basis, often with additional fees to rent space to connect Cox’s network to the building wiring.
- Onerous non-financial terms and conditions, such as agreements with durations of as little as one or two years and requirements that Cox give the building owner title to its equipment at the end of an agreement term;
- Refusals to permit access, including both outright refusals, failures to negotiate with Cox and agreements that permit Cox access only to a single customer in the building.

These barriers almost never affect incumbent carriers, which typically have access guaranteed by state law or are allowed access by building owners as a matter of course.

Moreover, these barriers to MTE access have significant effects on Cox’s ability to compete.

Equitable access to MTEs for all carriers is significant because it is essential to ensuring that facilities-based CLECs can compete effectively. When building owners impose excessive monetary demands and other restrictions on building access, Cox’s costs are increased. Worse,

when Cox cannot obtain access to a building, customers are denied the very benefits of competition that were envisioned in the Telecommunications Act of 1996, including more choices, better service and competitive prices. Moreover, the effects of denials of building access fall almost entirely on facilities-based competition because resellers and CLECs that use unbundled loops can rely on the incumbent's access to any building, an option that is not available to facilities-based competitors.

The Commission can address the inequities of the current environment without enacting detailed or complicated regulations. Rather, it should adopt a simple rule that prevents any incumbent from obtaining access to an MTE on terms more favorable than those available to any other carrier. This requirement should be triggered whenever a CLEC receives a written request for service from a tenant in the affected MTE. This rule, like the Commission's "no special concessions" rule for international carriers, is simple to implement and would greatly improve the competitive environment for commercial MTEs. The Commission also should encourage state regulators to take additional steps to ensure equitable access by CLECs to MTEs and should preempt only those state regulations and laws that hinder CLECs seeking to serve MTE tenants. If the Commission adopts these rules, it will take a significant step towards fulfilling the promise of the 1996 Act and towards ensuring a level playing field for facilities-based competition.

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**Comments of Cox Communications, Inc.**

Cox Communications, Inc. (“Cox”), by its attorneys, hereby submits its comments on the Commission’s *Further Notice* in the above-referenced proceeding.<sup>1</sup> As described in more detail below, Cox believes this proceeding addresses issues critical to the continued development of local telecommunications competition, and particularly to the development of facilities-based competition. As the *Further Notice* acknowledges, the building access issues being considered in this proceeding are central to the ability of facilities-based providers to offer services to tenants in multiple tenant environments (“MTEs”), where most commercial customers are located, including many small and medium-sized businesses.<sup>2</sup> Continued Commission vigilance is necessary to ensure that facilities-based competitors can obtain nondiscriminatory access to MTEs on the same terms and conditions available to incumbent carriers and can thereby provide business customers the benefits of local telecommunications competition contemplated by the Telecommunications Act of 1996.<sup>3</sup>

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<sup>1</sup> Promotion of Competition in Local Telecommunications Markets, *First Report and Order and Further Notice of Proposed Rulemaking*, Cox WT Docket No. 99-217, rel. Oct. 25, 2000 (the “*Further Notice*”). Cox files these comments on behalf of itself and its subsidiaries that provide communications services. All references to Cox refer to Cox and its subsidiaries.

<sup>2</sup> *Further Notice*, ¶ 12.

<sup>3</sup> Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996).

## **I. Introduction**

Cox serves approximately 6.2 million customers nationwide, making it the nation's fifth largest cable television company. Cox offers an array of services, including Cox Cable; local and long distance telephone services under the Cox Digital Telephone brand; high-speed Internet access under the brands Cox@Home, Road Runner and Cox Express; advanced digital video programming services under the Cox Digital Cable brand; and commercial voice and data services via Cox Business Services. Cox also is one of the largest facilities-based circuit-switched competitive local exchange carriers ("CLECs") in the country and now serves more than 200,000 customers and 285,000 access lines in various states across the country. Cox provides telephone service via cable networks that have undergone extensive upgrades that began in the mid-1990s. By mid-2002, Cox expects to be able to offer telephone service to 80 percent of its customers. When its system upgrades are complete, Cox will be able to serve more than six million telephone customers.

While Cox is rapidly expanding its switched, facilities-based telephone service to residential customers, it also has made a substantial investment in facilities designed to serve business customers ranging in size from small retail shops to large corporations. Cox has served business customers from the time it began to offer telecommunications services and it expects that the business sector will continue to be an important source of its growth in the future. Its business services are now providing more than one million voice grade equivalent circuits. These comments focus on Cox's efforts to enhance competition by obtaining access to those business customers located in MTEs.

As described below, Cox has encountered many cases in which it has had difficulty in obtaining access to MTEs or in which access has been granted only on terms that are much less favorable than those obtained by incumbent carriers. The consequences of these situations are

that Cox is forced to bear higher costs than incumbents, frequently must agree to terms that are not imposed on the incumbent and, sometimes, cannot compete at all for customers in affected buildings.

Because Cox is a facilities-based provider, Cox owns, operates, controls and installs, at its expense, facilities from its switches to the customer premises in much the same manner as the incumbent. In fact, Cox is building and providing the customer with a complete turn-key, price competitive alternative to the incumbent's service. When Cox cannot obtain building access on terms similar to those enjoyed by the incumbent, it faces an obstacle that, in many instances, prevents potential customers from obtaining the benefits of Cox's service alternative. Such obstacles are contrary to a fundamental premise of the 1996 Act – that consumers should be given a choice of telecommunications service providers. Cox's difficulties in receiving nondiscriminatory access to MTEs are significant enough to affect its ability to compete effectively in the business services marketplace. Thus, Cox submits that further Commission action to ensure nondiscriminatory access is necessary in this proceeding.

To ensure that facilities-based providers have access to MTEs, the Commission need not adopt sweeping rules to govern MTE owner behavior at this time. Rather, the Commission should follow the general principles already adopted in this proceeding by placing limited obligations on the incumbent carriers that have access to commercial MTEs. Simply put, all carriers should enjoy a level playing field and neither incumbents nor CLECs should be permitted to enjoy access arrangements in commercial buildings that are not available to other carriers. This requirement would be consistent with the Commission's earlier determination to prohibit exclusive access agreements for telecommunications providers and would serve to

ensure a fair environment for delivering competitive services to customers in MTEs.<sup>4</sup> The right to non-discriminatory treatment should become available to a carrier as soon as it receives a written request for service from the tenant of an MTE. While this approach should address most building access concerns, the Commission also should encourage state commissions to remain involved in these issues and should preempt only state regulations that impede access, not regulations that enhance the ability of facilities-based CLECs to obtain building access.

**II. Cox Has Encountered Significant Difficulties in Obtaining Non-Discriminatory Access to Commercial MTEs.**

Since it entered the telecommunications business, Cox has sought access to thousands of commercial MTEs in the areas it serves. The nature of these MTEs varies widely, and they include office buildings, strip malls, shopping centers, corporate and industrial parks and high-rise, mixed use complexes. In the many cases where the process runs smoothly, it can take as little time as a few hours for Cox to obtain a building owner's consent for access. In many cases, however, Cox has encountered, and continues to encounter, significant barriers to entry that at best delay the provision of service to new customers, and at worst prevent Cox from serving anyone in the building. The net result of these difficulties is that the consumer benefits of facilities-based competition either are reduced because Cox must pass along its increased costs, or are eliminated entirely when Cox cannot reach a minimally acceptable agreement with a building owner. Cox, therefore, requests continued Commission involvement to ensure that CLECs can obtain building access on terms and conditions comparable to those enjoyed by incumbents.

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<sup>4</sup> *Further Notice*, ¶ 34.



**A. Cox Has Faced Continuing Difficulty in Obtaining Non-Discriminatory Access to MTEs to Serve Commercial Customers.**

As a company that has been committed to the video, data and local telephone businesses for years, Cox has had extensive experience negotiating for building access. As a consequence, Cox has seen a wide variety of actions by MTE owners that have impeded Cox's access to those buildings.

The CLEC-specific barriers to building access generally fall into three categories:

(1) Monetary demands that make service uneconomical; (2) Onerous non-financial terms and conditions; and (3) Unreasonable limitations on Cox's provision of service to a building. As noted above, even relatively isolated cases of these difficulties can have a disproportionate effect on a CLEC's opportunity to serve the MTE market. The impact of these practices on Cox and other CLECs is magnified because, with rare exceptions, no incumbent carrier is subject to similar requirements by MTE owners, and thus the incumbent can serve many MTE tenants faster and more economically than any CLEC. In addition, these difficulties also tarnish Cox's reputation in the market, because potential customers in MTEs fear that Cox, unlike the incumbent, may not be able to serve them over the long term.

*Monetary Demands*

The most common terms that favor incumbents over CLECs are monetary demands from building owners for new providers to obtain access to their tenants. Such demands almost never are placed on the incumbent that already serves the building. These inequitable charges for building access directly affect the level of competition for telecommunications services. Moreover, access agreements that contain even relatively low fees can make it uneconomic for Cox to serve customers in buildings with only a few tenants.

Many MTE owners seek to have Cox pay a fee based on Cox's revenues from customers in the building. While these fees may not seem burdensome when viewed individually, collectively they have a significant impact. In Cox's experience, the fees can be as much as five to seven percent of Cox's gross revenues from services to tenants. Other owners have proposed flat fees that range as high as \$4,000 a month. While such a flat fee might not be burdensome in an extremely large building, there is little correlation between the fees sought by some building owners, the size of their buildings and the number of tenants served. For instance, the owner of one 25,000 square foot building with eight tenants requested a \$400 a month payment from Cox.<sup>5</sup> Another building owner sought a \$34,000 initial payment plus a \$6,000 a year license fee for access to the building. Similarly, the building owner that sought to charge a seven percent fee also requested a minimum payment of \$3,000 a quarter and a \$1,500 up front payment. Yet another owner sought compensation on the basis of the traffic generated by Cox customers, regardless of the payment Cox receives from those customers. Because incumbents rarely face these costs, all of these examples underscore how CLECs can face discrimination when they seek building access.

Furthermore, in many cases, the building access fees are in addition to separate charges for the small amounts of space Cox requires to connect its facilities to the building wiring. MTE owners have required Cox to rent wall space or a room to accommodate Cox's equipment, often at significant cost.<sup>6</sup> Incumbent carriers typically are not required to pay comparable fees to rent space for equipment on MTE premises.

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<sup>5</sup> A 25,000 square foot building would be considerably smaller than a single floor of the Commission's headquarters building. Unless the Cox customers in the building of that size had unusually extensive communications requirements, a monthly access fee of \$400 would most likely render it unprofitable to serve a building that size.

<sup>6</sup> One owner intends to impose separate fees to traverse the land between the public right-of-way and its building and for access to those buildings.

*Non-Monetary Terms and Conditions*

CLECs also face discrimination through the imposition of non-monetary terms and conditions on building access. The most significant non-monetary issue is the term length of the agreement between Cox and the building owner. Building owners often propose to negotiate a multi-term lease or a license agreement with a short duration of one, two or five years. The incumbent, however, is not required to negotiate a lease, either because it is the carrier of last resort or because it relies on a permanent easement that is not made available to Cox.<sup>7</sup>

The term of the building access agreement is significant for two reasons. First, because Cox must amortize its construction and equipment costs over the term of its access agreement, a short-term agreement necessarily inflates the cost of serving any customer in the building. Second, as the *Further Notice* acknowledges, typical commercial leases run for periods of five to fifteen years.<sup>8</sup> If Cox cannot be guaranteed it will have access to a building for a comparable term, it becomes difficult to offer customers in that building competitive prices because those prices generally are available only through longer term contracts. Furthermore, without guaranteed access, Cox is unable to provide those customers with assurance that it will be able to provide service over the full term of a customer's lease. Many building owners require Cox to sign a fairly short term commitment and then relinquish ownership and use of its facilities or sell the facilities to the owner at the end of the term. In addition to making it difficult for Cox to

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<sup>7</sup> Although many building owners have resisted granting permanent easements for building entry, granting Cox an easement is not a significant burden on the building owner, particularly because the owner already has granted an easement to several other utilities and service providers. Moreover, in many cases where an easement is granted to Cox, Cox uses the same "joint trench" with the other utilities, occupies the same telephone closet or minimum point of entry, and the same riser space in the building so the owner is required to make little, if any, additional building space available in the building which it would otherwise lease or sell to tenants. Finally, such an easement if granted to Cox would have little effect on the building title, or the ability of the owner to transfer or sell the building. In fact, buildings are bought and sold each and every day with telecommunications easements of record and this has been the case for nearly 100 years.

<sup>8</sup> *Further Notice*, ¶ 31.

provide competitive terms and conditions to tenants in those buildings, such short-term access arrangements and facilities-relinquishment requirements also can conflict with state regulatory provisions that impose obligations on Cox to serve any customer located close to Cox's facilities and to maintain "warm line" service.<sup>9</sup> For these reasons, Cox prefers to obtain permanent easements for access, rather than agreements that are subject to termination, so that Cox's access is comparable to what the incumbent already has.

Certain building owners also seek to impose unreasonable non-monetary conditions in their CLEC access agreements that are not imposed on incumbents. For instance, one access agreement proposed by a building owner would have required Cox to (1) carry property insurance equal to the replacement cost of the entire building; (2) relocate its equipment at any time requested by the building owner, at Cox's sole expense; (3) bear the cost of all acts of the building owner's employees that damaged Cox's equipment or other facilities; and (4) give the building owner the option to take title to Cox's equipment, subject to payment of fair market value of the equipment. These requirements were in addition to a significant building access fee. The net effect of this agreement would have been for Cox to bear all the risks of the relationship. Some of these provisions, such as the insurance requirement, would have imposed direct costs on Cox (and, therefore, its customers). Others, such as the requirement to relocate equipment, would have increased Cox's potential costs while affecting the reliability of the service Cox could provide to its customers. In the end, these provisions could not be accepted because they would have increased Cox's costs while reducing its ability to serve customers in the building.

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<sup>9</sup> For instance, in California Cox is required to serve any customer who requests service and whose premises are within 300 feet of Cox's existing transmission facilities, so long as Cox can obtain access to the point of demarcation on the customer's premises.

In other cases, building owners have made requests that seemed to bear no relation to the service that Cox proposed to provide to the tenants of these complexes. Some building owners, for instance, have sought to obtain free voice, video and data service from Cox in buildings other than the ones where Cox was seeking access. The owner of a large business development sought to require Cox to use a designated CLEC to provide service in that development, even though that CLEC was in direct competition with Cox. These conditions are not imposed on incumbents seeking access.

#### *Refusals to Permit Access*

Onerous contractual terms, monetary or otherwise, at least allow a CLEC to determine whether it is economically rational to serve an MTE. Cox also continues to face situations in which MTE owners simply refuse to permit access when a tenant has requested that Cox provide service. Cox has faced such outright refusals in all of its markets across the country. These refusals typically occur because the MTE owner has entered into an exclusive contract with another carrier in return for a large up-front payment or an ongoing percentage of revenues.<sup>10</sup> Cox also has experienced more subtle denials of access.

In one market, for instance, Cox has been in negotiations for periods of up to two years without reaching any agreement on access. In Cox's experience, some building owners that do not wish to allow access will raise various technical or safety issues, then will not permit Cox to resolve them, or will delay their responses when Cox addresses those concerns. The net effect is that Cox cannot provide service to tenants in these buildings.

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<sup>10</sup> Such exclusive contracts are now prohibited. *Further Notice*, ¶ 27. Nevertheless, some MTE owners continue to honor exclusivity provisions. Cox's proposed non-discrimination rule, by placing the burden of compliance on the carrier that already has access, would address this issue. *See infra* Part III.

Cox also has encountered other situations that prevent Cox from obtaining access. For example, building owners have granted access, but only as to one tenant. These owners require new negotiations for each additional tenant that Cox obtains as a customer even though generally the same facilities are being used to serve both tenants.<sup>11</sup> Such delays, which are not imposed on the incumbent, make prospective new customers less likely to choose Cox as a service provider.

**B. The Effects of Limitations on CLEC MTE Access Are Significant.**

When Cox faces the conditions and restrictions described above for obtaining building access, or is denied building access entirely, in many cases the consequences to Cox's ability to serve business customers can be enormous, not just to Cox, but to customers and particularly to small and medium-sized business customers. These customers are denied the benefits of telecommunications competition, including more favorable pricing, innovative products and service and superior customer service.

First, Cox faces the cost of losing business when it cannot obtain access to buildings. Of course, Cox loses the ability to serve the customers in those buildings, but there are other, less direct losses as well. In particular, if Cox cannot serve a customer after agreeing to do so, it is extremely unlikely that it will be able to convince that customer to purchase Cox's service in the future because CLECs do not have the same margin for error that incumbent carriers enjoy. Indeed, even when delays or other problems are caused by third parties, the CLEC typically is blamed and generally loses any further opportunity to serve the affected customer. At the same time, dissatisfied customers and prospective customers are likely to tell others of their

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<sup>11</sup> Similarly, some owners have required Cox to enter into separate agreements for building access for telephony services, even though Cox already is providing cable service to tenants in those buildings.

dissatisfaction. In the long run, the costs of such lost business may be more significant than any other costs that result from difficulties in obtaining building access.

In this regard, Cox cannot be compared to CLECs (including resellers) that do not own, control and install the network to the customer premises. CLECs that do not operate over their own facilities do not face building access costs because they take advantage of the incumbent's existing access to all of the buildings in their territory. These non-facilities-based CLECs use the incumbent's loops and avoid building access issues altogether because they are "invisible" to building owners.<sup>12</sup> Consequently, facilities-based CLECs are uniquely disadvantaged when terms and conditions for building access are inequitable, even though those same facilities-based CLECs can provide the customer with the significant advantages of product and service competition.

The unique disadvantage that lack of building access can impose on facilities-based providers should be of grave concern to the Commission. As the Commission has recognized in several contexts, economically efficient facilities-based competition creates more consumer benefits than any other form of competition.<sup>13</sup> Facilities-based providers can compete more effectively with incumbents, provide more reliable service and, because they control the entire transmission path, can offer more innovative and advanced services than non-facilities-based providers. Thus, if facilities-based providers are blocked from serving potential customers, the most significant harm is not to the providers, but to the customers who are denied the benefits of

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<sup>12</sup> For this reason, Cox has considered purchasing unbundled loops from incumbents to serve customers in buildings where the owners have denied requests for access. These loops, of course, are entirely redundant because they duplicate the facilities that Cox already has in place, but they at least will provide a stop-gap approach to reaching customers who otherwise would be denied service.

<sup>13</sup> See, e.g., *Further Notice*, ¶ 4 (stating that facilities-based competitors "have the greatest ability and incentive to offer innovative technologies and service options to consumers"); *Implementation of the Local Telecommunications Provisions of the Telecommunications Act of 1996*, *Third Report and Order*, 15 FCC Rcd 3696, 3701 (1999) (adopting rules that "seek to promote the development of facilities-based competition").

the competition envisioned by the Telecommunications Act of 1996 and the Commission's own decisions. The Commission should take all appropriate steps to prevent this from occurring.

**III. The Commission Should Take Additional Steps to Ensure that CLECs Can Obtain Access to MTEs on Reasonable Terms and Conditions.**

As shown above, if CLECs like Cox cannot obtain nondiscriminatory building access on reasonable terms and conditions, the unnecessary costs faced by the CLECs get passed onto their customers. To achieve a level playing field, the Commission need not adopt a comprehensive, detailed set of building access rules. Instead, the Commission should focus on a few basic requirements. The Commission should not rely on tenants to act on CLECs' behalf because, in practice, tenants do not have the ability to influence MTE access for CLECs. Further, the Commission should ensure that state commissions retain the flexibility to adopt local building access rules that enhance CLECs' ability to reach their customers in MTEs.

The Commission can address building access concerns by adopting a set of relatively simple requirements. Initially, the Commission should adopt a basic non-discrimination requirement to prevent incumbents from maintaining their current advantages in building access. As the *Further Notice* suggests, it is appropriate to limit this requirement to situations in which a tenant normally would be expected to purchase its own telecommunications services. The types of MTEs that should be exempt include hotels, nursing homes, hospital and other transient environments in which the tenants would expect to rely on the building owner to choose the carrier serving the building.<sup>14</sup>

The non-discrimination rules can be implemented in much the same way that the Commission implemented non-discrimination rules for international settlements. In that case,

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<sup>14</sup> See *Further Notice*, ¶ 153 (describing rules adopted in Massachusetts).



the Commission adopted a requirement that U.S.-licensed carriers not accept “special concessions” from their foreign corresponding carriers.<sup>15</sup> Under that rule, a U.S.-licensed carrier is forbidden from accepting terms that are any better than those available to any other U.S.-licensed carrier. In this case, an equivalent requirement would forbid an incumbent carrier from accepting building access on terms any more favorable than those available to any other carrier. Like the “no special concessions” rule, this rule would place the burden of compliance on a Commission-regulated entity, rather than on a third party not normally subject to the Commission’s jurisdiction. Further, because incumbent carriers would have significant incentives to retain their current building access, they would be likely to encourage building owners to make access available to other carriers on reasonable terms.<sup>16</sup>

The Commission also should take steps to address the time limitations that have been placed on CLEC access to buildings. As noted above, in the absence of long-term access rights, a CLEC cannot compete fairly against an incumbent that has a permanent right to reach the tenants of an MTE. In Cox’s experience, the maximum benefits to customers come when a CLEC also has a permanent right of access. The simplest, and most common, way to create this right is through a permanent easement for access purposes. Again, most incumbents already have such easements. The Commission should, therefore, include the ability to obtain access on a permanent basis among the criteria for determining whether access is available on a non-discriminatory basis.

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<sup>15</sup> 47 C.F.R. § 63.14.

<sup>16</sup> Incumbents also would have enough bargaining leverage to prevent building owners from imposing unreasonable demands on all carriers seeking access. In practice, the only reason that building owners can seek to impose high fees or other onerous conditions on CLECs is that their tenants all can be served by the incumbent, so there is little pressure on the building owner to permit other carriers to have access.

A CLEC's access rights should not be subject to cumbersome procedural requirements. As the *Further Notice* suggests, a CLEC should be able to invoke its rights upon receiving a request for service from a tenant of an MTE.<sup>17</sup> It would be appropriate to require this request to be in writing, but there should be no special request process. Rather, a letter from the customer or a signed service agreement with the CLEC should suffice to demonstrate that a *bona fide* request for service has been made. While the *Further Notice* asks if there is any need to adopt safeguards against "sham" requests, there is no evidence that such requests are likely. Indeed, it is unlikely that a CLEC will want to enter an MTE unless it has a real customer in that MTE to serve.

The Commission should not rely on tenants of MTEs to provide a "free market" solution to building access problems. Except for rare circumstances, tenants lack the ability to influence telecommunications access decisions, in particular because most tenants are tied into long-term leases.<sup>18</sup> In addition, in many buildings most tenants, considered individually, occupy a relatively small percentage of the available space, limiting their economic leverage over the building owner even towards the end of a lease term. Tenants' incentives to make an issue over access to telecommunications providers are further reduced because, for many businesses, telecommunications costs (and, therefore the benefits that might be accrued from switching carriers) are a relatively small part of their overall expenses. In all of these events, the practical effect of a denial of building access is the same: the tenant cannot obtain the benefits of CLEC competition.<sup>19</sup>

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<sup>17</sup> *Further Notice*, ¶ 157.

<sup>18</sup> The *Further Notice* acknowledges that the existence of long-term leases limits tenants' ability to influence MTE owners. *Id.*, ¶ 31.

<sup>19</sup> As noted above, if a customer does not get service from Cox or another CLEC in a timely fashion, the customer likely is lost forever. See *supra* Section II(B).

Finally, the Commission also should encourage the states to take an active role in ensuring that CLECs have access to MTEs. As the *Further Notice* describes, some states already have become involved in these issues.<sup>20</sup> In Cox's territory, the Nebraska commission has been particularly active in this area, and has adopted such measures as banning exclusionary contracts and requiring ILECs to provide a single minimum point of entry at or near the property line upon the request of any CLEC or MTE owner.<sup>21</sup> Cox believes that state involvement is particularly useful because state commissions can adapt their requirements to local conditions and local concerns. Consequently, the Commission should not preempt state activities intended to foster building access unless those activities directly conflict with basic Commission requirements. The Commission should, however, also make it clear that state laws or regulations that impede CLEC access to MTEs or give incumbents preferential access rights are impermissible and violate the tenets of the Telecommunications Act of 1996.

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<sup>20</sup> *Further Notice*, ¶ 153.

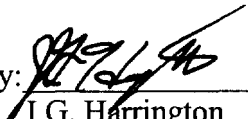
<sup>21</sup> See Appropriate Policy Regarding Access to Residents of Multiple Dwelling Units (MDUs) in Nebraska by Competitive Local Exchange Telecommunications Providers, *Order Establishing Statewide Policy for MDU Access*, Application No. C-1878/PI-23, Mar. 2, 1999.

**IV. Conclusion**

For all these reasons, Cox Communications, Inc., respectfully requests that the Commission adopt the rules and policies described herein.

Respectfully submitted,

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January 22, 2001

## CERTIFICATE OF SERVICE

I, Vicki Lynne Lyttle, do hereby certify that on this 22<sup>nd</sup> day of January, 2001, I caused copies of the foregoing "Comments of Cox Communications, Inc." to be served via hand delivery on the following:

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